

REFERENCE TITLE: eastern Arizona college

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HB 2763

Introduced by
Representatives Konopnicki, Brown, Crandall, Senator Flake:
Representatives Anderson, Barto, Kavanagh, Mason, Murphy, Nichols, Tobin,
Senator Gray L

AN ACT

AMENDING TITLE 15, CHAPTER 12, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1453; AMENDING SECTIONS 15-1462, 15-1464 AND 15-1466, ARIZONA REVISED STATUTES; MAKING APPROPRIATIONS; RELATING TO COMMUNITY COLLEGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 12, article 3, Arizona Revised Statutes,
3 is amended by adding section 15-1453, to read:

4 15-1453. Eastern Arizona college; four-year degrees

5 NOTWITHSTANDING THE TWO-YEAR LIMITATION PRESCRIBED IN SECTION 15-1401,
6 BEGINNING IN FISCAL YEAR 2009-2010, EASTERN ARIZONA COLLEGE AS OPERATED BY
7 THE GOVERNING BOARD OF THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT MAY OFFER
8 FOUR-YEAR BACCALAUREATE DEGREES PURSUANT TO THE FOLLOWING REQUIREMENTS:

9 1. ON OR BEFORE SEPTEMBER 15, 2008, THE GRAHAM COUNTY COMMUNITY
10 COLLEGE DISTRICT BOARD SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE
11 AT A MINIMUM THE FOLLOWING INFORMATION:

12 (a) THE BACCALAUREATE DEGREE PROGRAMS THE DISTRICT INTENDS TO OFFER TO
13 STUDENTS THE FOLLOWING FISCAL YEAR.

14 (b) THE NUMBER OF STUDENTS EXPECTED TO PARTICIPATE IN EACH PROGRAM
15 OFFERED BY THE DISTRICT.

16 (c) AN ESTIMATE OF THE NUMBER OF 300-LEVEL AND 400-LEVEL STUDENTS THAT
17 WILL BE SERVED BY THE DISTRICT.

18 (d) THE LOCATION OF THE CAMPUSES AND COLLEGES AT WHICH BACCALAUREATE
19 DEGREE PROGRAMS WILL BE OFFERED.

20 (e) THE POTENTIAL IMPACT ON THE DISTRICT'S EXPENDITURE LIMITATION.

21 2. ON OR BEFORE OCTOBER 1, 2008, THE GRAHAM COUNTY COMMUNITY COLLEGE
22 DISTRICT SHALL SUBMIT A BUDGET FOR THE DISTRICT THAT ESTIMATES A FULL-TIME
23 EQUIVALENT STUDENT ENROLLMENT FOR 300-LEVEL AND 400-LEVEL ACADEMIC COURSES
24 THAT WILL BE OFFERED BY THE DISTRICT.

25 3. ON OR BEFORE SEPTEMBER 15, 2008, THE GRAHAM COUNTY COMMUNITY
26 COLLEGE DISTRICT SHALL DEVELOP PERFORMANCE MEASURES THAT SHALL BE INCLUDED IN
27 THE STATE BUDGET.

28 4. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT BOARD SHALL BE
29 PREPARED TO OFFER 300-LEVEL AND 400-LEVEL ACADEMIC COURSES AT THE BEGINNING
30 OF THE SPRING SEMESTER OF 2010.

31 5. UNIVERSITIES UNDER THE JURISDICTION OF THE ARIZONA BOARD OF REGENTS
32 SHALL USE THE SAME ADMISSION CRITERIA TO GRADUATE DEGREE PROGRAMS FOR PERSONS
33 WHO HAVE BEEN AWARDED BACCALAUREATE DEGREES ISSUED BY THE GRAHAM COUNTY
34 COMMUNITY COLLEGE DISTRICT AS USED FOR PERSONS WHO HAVE OBTAINED
35 BACCALAUREATE DEGREES FROM TRADITIONAL FOUR-YEAR POSTSECONDARY INSTITUTIONS
36 THAT ARE ACCREDITED BY A REGIONAL ACCREDITATION AGENCY APPROVED BY THE UNITED
37 STATES DEPARTMENT OF EDUCATION.

38 6. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT IS ENTITLED TO STATE
39 AID PURSUANT TO SECTION 15-1466 AND STATE AID PER CAPITA FOR CAPITAL OUTLAY
40 PURSUANT TO SECTION 15-1464 DURING THE FIRST AND SECOND YEARS IN WHICH THE
41 DISTRICT OFFERS 300-LEVEL AND 400-LEVEL ACADEMIC COURSES BASED ON THE
42 DISTRICT'S ESTIMATE OF THE FULL-TIME EQUIVALENT STUDENT ENROLLMENT IN
43 300-LEVEL AND 400-LEVEL ACADEMIC COURSES FOR THE FIRST AND SECOND YEAR IN
44 WHICH THE DISTRICT OFFERS 300-LEVEL AND 400-LEVEL ACADEMIC COURSES. THE
45 GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT'S STATE AID PAYMENTS SHALL BE

1 ADJUSTED DURING THE THIRD YEAR OF OFFERING 300-LEVEL AND 400-LEVEL ACADEMIC
2 COURSES BASED ON ANY DISCREPANCIES BETWEEN THE ESTIMATED FULL-TIME EQUIVALENT
3 STUDENT ENROLLMENT DURING THE FIRST TWO YEARS IN WHICH THE DISTRICT OFFERS
4 300-LEVEL AND 400-LEVEL ACADEMIC COURSES AND THE ACTUAL FULL-TIME EQUIVALENT
5 STUDENT ENROLLMENT FOR THOSE TWO YEARS AS DETERMINED BY THE AUDITOR GENERAL
6 PURSUANT TO SECTION 15-1466.01.

7 7. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT SHALL CONTINUE TO
8 PROVIDE A PROGRAM OF TWO YEARS' TRAINING IN THE ARTS, SCIENCES AND
9 HUMANITIES, INCLUDING ASSOCIATE DEGREE PROGRAMS, TERMINAL COURSES OF A
10 TECHNICAL AND VOCATIONAL NATURE AND BASIC ADULT EDUCATION COURSES.

11 8. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT FULL-TIME EQUIVALENT
12 STUDENT ENROLLMENT SHALL BE DETERMINED AS FOLLOWS:

13 (a) DIVIDE THE TOTAL NUMBER OF ENROLLED CREDIT HOURS PER ACADEMIC YEAR
14 IN ALL 200-LEVEL AND BELOW ACADEMIC COURSES BY THIRTY.

15 (b) DIVIDE THE TOTAL NUMBER OF ENROLLED CREDIT HOURS PER ACADEMIC YEAR
16 IN 300-LEVEL AND 400-LEVEL ACADEMIC COURSES BY TWENTY-FOUR.

17 9. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT SHALL NOT RECEIVE
18 STATE AID FOR DUAL ENROLLMENT COURSES FOR NONACADEMIC COURSES.

19 10. THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT SHALL COMPLY WITH ANY
20 CONTRACTS AND AGREEMENTS WITH OTHER POLITICAL SUBDIVISIONS OF THIS STATE THAT
21 ARE IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION.

22 11. TUITION FOR ALL COURSES OFFERED BY THE GRAHAM COUNTY COMMUNITY
23 COLLEGE DISTRICT SHALL BE LESS THAN TUITION AT UNIVERSITIES UNDER THE
24 JURISDICTION OF THE ARIZONA BOARD OF REGENTS.

25 Sec. 2. Section 15-1462, Arizona Revised Statutes, is amended to read:

26 15-1462. Special tax levy for maintenance or capital outlay of
27 district; proration of monies; exception

28 A. The board of supervisors in each district may supply funds from
29 other designated sources or, in lieu thereof, shall annually, at the time of
30 levying other taxes, levy a special community college tax on property to be
31 determined by each county comprising the district for the purpose of
32 maintaining the district or for capital outlay. For THE purposes of this
33 subsection, "capital outlay" means the expenditures which result in the
34 acquisition of fixed properties such as land, temporary, permanent or
35 portable buildings and development or permanent improvements to land or
36 construction of buildings. The tax shall be at a rate sufficient to provide
37 the amount proposed in the annual estimate of funds as needed to maintain the
38 district for the current fiscal year, after deducting from the total estimate
39 the amount of funds appropriated for the district by the legislature, but
40 shall not be in excess of the levy limitation prescribed in title 42, chapter
41 17, article 2. The tax shall be added to and collected in the same manner as
42 other county taxes on property. The amount of the special community college
43 tax shall be paid into the community college fund of the county.

44 B. For the first year of operation monies shall be prorated to each
45 county within a district in the ratio that the number of high school

1 graduates of each county within the district bears to the total number of
2 high school graduates in all counties within the district. Thereafter,
3 proration of monies shall be to each county within a district in the ratio
4 that the number of full-time equivalent students of each county within the
5 district bears to the total number of full-time equivalent students in all
6 counties within the district.

7 C. NOTWITHSTANDING SUBSECTION A OR ANY OTHER LAW, THE MAXIMUM AMOUNT
8 THAT MAY BE LEVIED ANNUALLY IN FISCAL YEARS 2008-2009 THROUGH 2013-2014 BY
9 THE GRAHAM COUNTY BOARD OF SUPERVISORS FOR COMMUNITY COLLEGE TAXES ON
10 PROPERTY IN THE COUNTY IS ONE DOLLAR PER ONE HUNDRED DOLLARS ASSESSED
11 VALUATION. THE GOVERNING BOARD OF THE GRAHAM COUNTY COMMUNITY COLLEGE
12 DISTRICT SHALL PLACE ALL REVENUES COLLECTED PURSUANT TO THIS SUBSECTION IN A
13 SEPARATE CAPITAL ACCOUNT. MONIES IN THE SEPARATE CAPITAL ACCOUNT MAY ONLY BE
14 SPENT ON CAPITAL CONSTRUCTION PROJECTS THAT ARE REVIEWED AT A PUBLIC MEETING
15 BY THE JOINT COMMITTEE ON CAPITAL REVIEW. ON OR BEFORE JUNE 30, 2013, THE
16 GOVERNING BOARD OF THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT SHALL ADOPT A
17 RESOLUTION TO DO ONE OF THE FOLLOWING:

18 1. CONTINUE TO OPERATE AS A COMMUNITY COLLEGE DISTRICT UNDER THE
19 AUTHORITY OF THE GOVERNING BOARD OF THE GRAHAM COUNTY COMMUNITY COLLEGE
20 DISTRICT AND CONTINUE THE TAX LEVY PRESCRIBED IN THIS SUBSECTION.

21 2. DISSOLVE THE COMMUNITY COLLEGE DISTRICT, DISCONTINUE THE TAX LEVY
22 PRESCRIBED IN THIS SUBSECTION AND TRANSFER THE AUTHORITY TO GOVERN EASTERN
23 ARIZONA COLLEGE TO THE ARIZONA BOARD OF REGENTS.

24 Sec. 3. Section 15-1464, Arizona Revised Statutes, is amended to read:

25 15-1464. State aid per capita distribution for capital outlay;
26 capital outlay fund; appropriation

27 A. In addition to the appropriation prescribed in section 15-1463,
28 subsection A, this state shall pay to each community college district state
29 aid for capital outlay in the following manner:

30 1. For fiscal year 1992-1993 for a community college district which
31 had less than five thousand actual full-time equivalent students according to
32 the most recent fiscal year actual full-time equivalent student count, the
33 amount determined by multiplying the number of actual full-time equivalent
34 students according to the most recent fiscal year actual full-time equivalent
35 student count by two hundred seven dollars.

36 2. For fiscal year 1992-1993 for a community college district which
37 had five thousand or more actual full-time equivalent students according to
38 the most recent fiscal year actual full-time equivalent student count, the
39 amount determined by multiplying the number of actual full-time equivalent
40 students according to the most recent fiscal year actual full-time equivalent
41 student count by one hundred fifty-eight dollars.

42 3. Beginning with fiscal year 1993-1994 the legislature shall adjust
43 by the growth rate for common and high school districts as provided by law,
44 subject to appropriation, the amount of state aid to community college
45 districts as provided in paragraphs 1 and 2.

B. The basis for computing full-time equivalent students for the capital outlay per capita distribution shall be on the same basis as the computation prescribed in section 15-1466.01.

C. In addition to the formula to determine the appropriations prescribed in section 15-1463, subsection A and subsection A of this section, this state may pay additional amounts for capital outlay to a community college district based on requests from the district.

D. Appropriations for capital outlay made pursuant to subsections A and C of this section and section 15-1463 shall be made to an account designated as the capital outlay fund.

E. At the beginning of each fiscal year, the district board shall present to the department of administration a claim for the annual amount appropriated by the legislature and assigned to the district for capital outlay purposes. The department of administration shall draw a warrant in payment of the claim and shall transmit the warrant to the state treasurer who shall disburse the funds to the district for capital outlay purposes, to be expended as provided by law. If no community college exists, the department shall establish a fund for new future community college districts to be disbursed as needed.

F. Notwithstanding subsection E of this section, a community college district may request the state treasurer to disburse the monies to the local government investment pool for deposit into the district's account as established in section 35-326.

G. Each district has the option of using up to twenty per cent of its total capital outlay aid appropriation for operating aid purposes or taking this same amount out of the district's total operating state aid appropriation and using it for capital outlay purposes.

H. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, FOR THE GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT, THE AMOUNT PER FULL-TIME STUDENT EQUIVALENT SHALL BE TWO HUNDRED TEN DOLLARS FOR STUDENTS IN VOCATIONAL COURSES, 100-LEVEL ACADEMIC COURSES AND 200-LEVEL ACADEMIC COURSES AND THIRTY-SIX DOLLARS FOR STUDENTS IN 300-LEVEL ACADEMIC COURSES AND 400-LEVEL ACADEMIC COURSES.

Sec. 4. Section 15-1466, Arizona Revised Statutes, is amended to read:
15-1466. State aid; eligibility; limitations

A. Subject to legislative appropriation, the legislature shall determine and appropriate the amount of state aid each fiscal year to each district possessing the qualifications as prescribed in this chapter.

B. The state shall determine the amount of state aid, as prescribed in subsection F of this section, appropriated to each district for the fiscal year prior to the fiscal year for which the state aid is being calculated.

C. The state shall adjust the amount of state aid appropriated to each district as determined in subsection B of this section by the growth rate referenced by section 15-901, subsection B, paragraph 2. This amount shall be appropriated to the district except as provided in subsection D of this section.

1 D. In addition to the state aid appropriated in subsection C of this
2 section, each district qualified under this chapter shall have its state aid
3 adjusted in an amount that reflects the growth in the full-time equivalent
4 student count of the district calculated as follows:

5 1. Calculate the growth in the actual, audited full-time equivalent
6 student count between the second and third most recent fiscal years prior to
7 the fiscal year for which the state aid is being calculated for each
8 district.

9 2. Calculate the average appropriation per full-time equivalent
10 student for all districts by dividing the amount determined in subsection B
11 of this section by the actual, audited full-time equivalent student count for
12 all districts in the most recent fiscal year, EXCEPT THAT FOR THE GRAHAM
13 COUNTY COMMUNITY COLLEGE DISTRICT, THE APPROPRIATION SHALL BE TWO THOUSAND
14 TWO HUNDRED DOLLARS PER FULL-TIME EQUIVALENT STUDENT FOR STUDENTS ENROLLED IN
15 VOCATIONAL COURSES, 100-LEVEL ACADEMIC COURSES AND 200-LEVEL ACADEMIC COURSES
16 AND FIVE THOUSAND FIVE HUNDRED SIXTY-FOUR DOLLARS FOR STUDENTS ENROLLED IN
17 300-LEVEL ACADEMIC COURSES AND 400-LEVEL ACADEMIC COURSES. THE
18 APPROPRIATIONS PRESCRIBED IN THIS PARAGRAPH FOR THE GRAHAM COUNTY COMMUNITY
19 COLLEGE DISTRICT SHALL BE ADJUSTED EACH YEAR TO REFLECT CHANGES IN THE
20 CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, UNITED STATES AVERAGE, AS
21 PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF STATISTICS.

22 3. Multiply the amount calculated in paragraph 1 of this subsection by
23 the average appropriation calculated in paragraph 2 of this subsection. This
24 amount shall be appropriated to the district for growth.

25 E. State aid appropriated to each district shall be allocated and paid
26 in accordance with subsection C of this section before any funding is
27 allocated and paid in accordance with subsection D of this section.

28 F. The total amount appropriated to each district each fiscal year in
29 accordance with subsections C and D of this section shall serve as the amount
30 of state aid to be adjusted in the next fiscal year. A district is not
31 eligible for growth funding pursuant to this section unless the most recent
32 audited full-time student equivalent count exceeds the highest audited
33 full-time student equivalent count recorded from and after fiscal year
34 2003-2004.

35 G. To be eligible for state aid, a district shall:

36 1. Be equipped with suitable buildings, equipment and campus.

37 2. Have at least three hundred twenty full-time equivalent students
38 attending in the district.

39 3. Have complied with all of the requirements of the district board
40 including budgets and curriculum.

41 H. Notwithstanding subsection E of this section, the legislature may
42 allocate funding for growth in the full-time equivalent student count prior
43 to or in combination with funding of the growth rate.

44 I. The total amount of state monies that may be spent in any fiscal
45 year by a district for operating state aid shall not exceed the amount

1 appropriated or authorized by section 35-173 for that purpose.
2 Notwithstanding section 15-1444, this section shall not be construed to
3 impose a duty on an officer, agent or employee of this state to discharge a
4 responsibility or to create any right in a person or group if the discharge
5 or right would require an expenditure of state monies in excess of the
6 expenditure authorized by legislative appropriation for that specific
7 purpose, including any duties prescribed in an employment contract entered
8 into pursuant to section 15-1444, subsection A, paragraph 6.

9 J. In addition to the formula to determine the state aid
10 appropriations prescribed in this section, the state may pay additional
11 amounts for state aid to a district based on requests included in the
12 district's budget request.

13 K. This section does not entitle a community college operated by a
14 qualified Indian tribe to state aid for community colleges pursuant to this
15 chapter.

16 Sec. 5. Graham county community college district operating
17 state aid and capital outlay state aid

18 Notwithstanding section 15-1466, Arizona Revised Statutes, as amended
19 by this act, and section 15-1464, Arizona Revised Statutes, as amended by
20 this act, until the total amounts calculated for the Graham county community
21 college district pursuant to section 15-1466, Arizona Revised Statutes, as
22 amended by this act, and section 15-1464, Arizona Revised Statutes, as
23 amended by this act, add up to at least \$16,950,260, the Graham county
24 community college district shall be appropriated \$16,346,560 for operating
25 state aid and \$603,700 for capital outlay state aid. The amount calculated
26 pursuant to section 15-1466, Arizona Revised Statutes, as amended by this
27 act, shall continue to serve as the base amount for adjusting growth for
28 operating state aid in the following fiscal year. Once the operating state
29 aid and capital outlay state aid amounts add up to at least \$16,950,260, the
30 appropriation for operating state aid for the Graham county community college
31 district shall be determined by section 15-1466, Arizona Revised Statutes, as
32 amended by this act.

33 Sec. 6. Graham county community college district; report

34 The Graham county community college district shall collect data on the
35 costs and the impact of providing baccalaureate degrees and submit a report
36 that summarizes this data to the joint legislative budget committee on or
37 before September 15, 2009. The Graham county community college district
38 shall provide a copy of this report to the secretary of state and the
39 director of the Arizona state library, archives and public records.

40 Sec. 7. Appropriation; supplemental funding; exemption

41 A. The sum of \$_____ is appropriated from the state general
42 fund in fiscal year 2008-2009 to the Graham county community college district
43 for supplemental funding.

44 B. The appropriation made in subsection A of this section is intended
45 to provide supplemental funding in the amount of \$4,000 per estimated

1 full-time equivalent student enrollment. If the amount appropriated pursuant
2 to subsection A of this section exceeds \$4,000 per actual full-time
3 equivalent student enrollment, the Graham county community college district
4 shall transmit the excess amount appropriated to the state treasurer on or
5 before September 15, 2009 for deposit in the state general fund.

6 C. The appropriation made in subsection A of this section is exempt
7 from the provisions of section 35-190, Arizona Revised Statutes, relating to
8 lapsing of appropriations.

9 Sec. 8. Appropriation; campus housing; exemption

10 A. The sum of \$_____ is appropriated from the state general
11 fund in fiscal year 2008-2009 to the Graham county community college district
12 for capital costs associated with campus housing facilities.

13 B. The appropriation made in subsection A of this section is intended
14 to provide capital funding in the amount of \$25,000 per estimated bed in
15 campus housing facilities. If the amount appropriated pursuant to subsection
16 A of this section exceeds \$25,000 per actual bed in campus housing
17 facilities, the Graham county community college district shall transmit the
18 excess amount appropriated to the state treasurer on or before September 15,
19 2009 for deposit in the state general fund.

20 C. The appropriation made in subsection A of this section is exempt
21 from the provisions of section 35-190, Arizona Revised Statutes, relating to
22 lapsing of appropriations.